

**CALCASIEU PARISH VOLUNTARY COUNCIL
ON THE AGING, INC.**
Lake Charles, Louisiana

Financial Report

Year Ended June 30, 2014

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MANAGEMENT'S DISCUSSION AND ANALYSIS

The following discussion and analysis of Calcasieu Parish Voluntary Council on the Aging, Inc.'s (the Council) financial performance provides an overview of the Council's financial activities for the year ended June 30, 2014. This document focuses on the current year's activities, resulting changes, and currently known facts. This document should be read in conjunction with the financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The Council showed a decrease in overall net position of \$209,265 or 50% this year.
- Net Capital Assets of the Council increased by \$34,619 or 5%.
- The unassigned fund balance for the Council's General Fund was (\$245,207) at year-end which is an \$220,933 decrease from the prior year.

HOW TO USE THIS ANNUAL REPORT

The Council's annual financial report consists of six main parts:

1. Management's discussion and analysis (this section)
2. The basic financial statements (government-wide and fund)
3. Supplementary information required by GASB 34
4. Supplementary information required by GOEA
5. Supplementary information required by OMB Circular A-133
6. Auditor reports.

Government-wide financial statements are comprised of the Statement of Net Position and the Statement of Activities (on pages 13 through 15). These financial statements provide information about the activities of the Council as a whole and present a longer-term view of the Council's finances. In contrast, fund financial statements, which consist of the Fund Balance Sheet and the Statement of Revenues, Expenditures, and Changes in Fund Balances (on pages 17 through 18), and the proprietary fund statements consisting of the Statement of Net Position and Statement of Revenues, Expenditures, and Changes in Fund Net Position, tell how services were financed in the short-term, as well as what remains for future spending for governmental and proprietary funds. Fund financial statements also report the Council's operations in more detail than the government-wide statements by providing information about the Council's most significant funds.

The auditor has provided assurance in his independent auditor's report, located immediately after this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. The auditor is providing varying degrees of assurance about Supplementary Financial Information Required by GASB Statement 34 and GOEA that follow later in this reporting package. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each part of the financial section of the report.

BASIC FINANCIAL STATEMENTS

The basic financial statements consist of the government-wide financial statements and fund financial statements, which present different views about the Council, along with notes to the financial statements.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Government-Wide Financial Statements

Management's analysis of the Council as a whole begins on page 4. When reading these financial statements, an important point to consider is whether the Council's finances as a whole, are better or worse off as a result of this year's activities. The Statement of Net Position and the Statement of Activities, referred to collectively as the Government-Wide Financial Statements, report information about the Council as a whole and about its activities in a way that helps when considering this point. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting method used by most private-sector companies. Also, under the accrual basis, all current year revenues and expenses are taken into account regardless of when cash is received or paid.

The Government-Wide statements report the Council's net position and changes in them. The Council has restricted net position of \$24,879 which must be used for specific purposes, whereas \$3,981 of the net position is unrestricted, meaning that they can be used for any program at management's discretion. The Statement of Net Position is designed to present the financial position of the Council as of year-end. Over time, increases or decreases in the Council's net position are one indicator of whether its financial position is improving or deteriorating. However, to assess the overall financial position of the Council, the reader must consider other nonfinancial factors, such as the condition of the Council's capital assets and facilities, the addition or termination of grants and other revenue sources, and the expansion or contraction of programs and services.

The Statement of Activities provides information that shows how the Council's net position changed as a result of this year's activities. In this statement all changes in net position are reported as soon as the underlying event giving rise to the change occurs regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will affect cash flows in future periods. All of the Council's significant activities are reported in the Statement of Activities, including an Administration function and a Health, Welfare, and Social Services function. The Health, Welfare, and Social Services function is comprised of various programs that include various supportive services, nutritional services, utility assistance, disease prevention and health promotion, family caregiver support, and senior citizen center operations. These activities of the Council are considered to be governmental activities. A governmental activity is one where the Council uses money it receives from government grants and contracts, along with donations from the general public, to pay for the services it provides to the general public, or a segment of the general public, such as the elderly. In other words, the people benefiting from the services are not required to pay for what they receive. However, the Council does charge a fee for persons under 60 years old to ride the Council's vans. We do not view the fees we charge for these activities as business-type activity because we do not intend to make a profit or recover the full cost of providing the service. If the Council charged fees to cover all or most of the cost of providing a service, that activity would be classified as a business-type activity. The Council has two business-type activities. Because the Council charges fees to cover all or most of the cost of providing a service in the Bingo Fund and Bingeaux Café Fund, these activities are classified as business-type activities.

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds, not the Council as a whole entity. In the fund financial statements, there are column presentations for a General Fund, Special Revenue Funds that have been determined to be "Major Funds," and a column for the total of all remaining Special Revenue Funds, which are deemed to be "Nonmajor Funds." Major funds are those funds whose revenues, expenditures, assets, or liabilities are at least 10% of corresponding totals for all governmental funds. In addition, a major fund could be a fund that does not meet these criteria but is

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

believed to be important for the Council's financial statement users. The General Fund is used to account for all financial resources except those that are required to be accounted for in another fund. The Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted or committed to expenditure for specified purposes other than debt service or capital projects. By using separate funds to track revenues and expenditures, management can control funds for particular purposes or show that the fund is meeting legal responsibilities for using certain grants and other money.

The General Fund and Special Revenue Funds are considered governmental funds. Governmental funds focus on how money flows into and out of funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called the modified accrual basis of accounting, which measures cash and all other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the Council's general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future for Council's programs. The difference between the net position of governmental activities and the fund balances of the governmental funds is reconciled at the bottom of the Balance Sheet for Governmental Funds. In addition, the difference between the change in fund balance for the governmental funds and the change in net position for the governmental activities has been reconciled on a separate page that follows the Statement of Revenues, Expenditures, and Changes in Fund Balances for the Governmental Funds. These two reconciliations will facilitate the comparison between governmental activities and funds.

The Council also has proprietary fund types. The proprietary funds are accounted for on the economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. The Council applies all applicable FASB pronouncements in accounting and reporting for its proprietary operations. The Council's two proprietary fund types are considered Enterprise funds. Enterprise funds are used to account for those operations that are financed and operated in a manner similar to a private business or where the Board has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability. The Council operates the Bingo Hall and Bingeaux Cafe as enterprise funds. Both of these funds were considered major for the year ended June 30, 2014.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page 25 of this report. The notes to the financial statements follow the fund financial statements and should be read before making assumptions or drawing conclusions about the Council's financial condition.

SUPPLEMENTARY FINANCIAL INFORMATION REQUIRED BY GASB STATEMENT 34

The Governmental Accounting Standards Board (GASB) Statement 34 requires budgetary comparison schedules for the General Fund and each major Special Revenue Fund that has a legally adopted annual budget. The schedules compare the original and final appropriated budgets to actual budget results for the Council's fiscal year. Positive and negative variances between the final budget and actual amounts are also presented (see pages 50 through 53).

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

Management's Discussion and Analysis is also required supplementary information (RSI) by GASB Statement 34. However, GASB 34 requires it to be presented as the first item in this reporting package and not with the GASB's other RSI, which is included later in this reporting package.

SUPPLEMENTARY FINANCIAL INFORMATION REQUIRED BY GOEA AND OMB
CIRCULAR A-133

The Governor's Office of Elderly Affairs (GOEA) has required the Council to present combining statements that provide details about non-major governmental funds and details about capital assets and the changes in capital assets. This information will be used by GOEA to verify the accuracy of information the Council has submitted to them during the year and to help GOEA monitor certain compliance requirements set forth in the grants that it has with the Council (see pages 55 through 57).

The Office of Management and Budget (OMB) through its Circular A-133 requires a Schedule of Expenditures of Federal Awards (see pages 59 through 60). This schedule will present required information about the Council's federally funded programs in a manner that can facilitate financial and compliance analysis by the agencies that have granted federal money to the Council.

AN ANALYSIS OF THE COUNCIL AS A WHOLE USING GOVERNMENT-WIDE
FINANCIAL STATEMENTS

The following table reflects condensed information on the Council's assets, liabilities, and net position for fiscal years 2014 and 2013:

Condensed Statement of Net Position			
	2014	2013	Increase (Decrease)
Current and other assets	\$ 75,555	\$ 203,153	\$ (127,598)
Capital assets, net of depreciation	685,396	650,777	34,619
Total Assets	<u>760,951</u>	<u>853,930</u>	<u>(92,979)</u>
Compensated absences	39,130	21,038	18,092
Other liabilities	265,370	217,176	48,194
Notes payable	250,000	200,000	50,000
Total Liabilities	<u>554,500</u>	<u>438,214</u>	<u>116,286</u>
Invested in capital assets, net of related debt	177,591	244,068	(66,477)
Restricted	24,879	9,896	14,983
Unrestricted	3,981	161,752	(157,771)
Total Net Position	<u>\$ 206,451</u>	<u>\$ 415,716</u>	<u>\$ (209,265)</u>

As of June 30, 2014, the Council "as a whole" had assets greater than its liabilities by \$206,451 whereas at June 30, 2013 net position was \$415,716. This is a decrease of \$209,265 or about 50% in net position.

About 2% and 39% of the Council's total net position are unrestricted as of June 30, 2014 and 2013, respectively. Unrestricted net position is important because they provide the discretionary resources management will need so that it can quickly adapt to changes in the economy, emergencies, unexpected needs, and reductions in or termination of grant revenues by government agencies.

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

The Council's restricted net position represents 12% and 2% of the Council's total net position as of June 30, 2014 and 2013, respectively. Net position is reported as restricted when the constraints placed upon the asset's use are either (a) externally imposed by a grantor, contributor, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

The net position that has been invested in capital assets are presented net of any related outstanding debt incurred to acquire them. Currently, the building and land related to the Council are the only capital assets that have related outstanding debt associated with them.

The liability for compensated absences increased \$17,994 during the year. This liability represents what the Council would owe to its employees as of year-end for unused vacation leave. If employee vacation patterns are similar from year to year and if the number of employees remains about the same, then the amount owed at year-end will not change very much from year to year. This liability could adversely affect the Council's financial position if we were to have to lay off a significant portion of our workforce. This event would trigger the immediate payment of unused vacation to the terminated employees resulting in the Council having to use unrestricted net position to make the payments.

The following table reflects condensed information on the Council's change in net position:

Condensed Statement of Activities

	<u>2014</u>	<u>% of Total</u>	<u>2013</u>	<u>% of Total</u>
Revenues				
Program Revenues:				
Charges for services	\$3,558,739	67.16%	3,092,361	64.72%
Operating grants and contributions	1,375,362	25.96%	1,339,377	28.03%
General Revenues:				
Unrestricted grants and contributions	244,776	4.62%	279,372	5.85%
Other general revenues	<u>120,122</u>	<u>2.27%</u>	<u>66,725</u>	<u>1.40%</u>
Total Revenues	<u>5,298,999</u>	<u>100.00%</u>	<u>4,777,835</u>	<u>100.00%</u>
Program Expenses of the Health, Welfare, and Social Services Function				
Supportive services	323,445	5.87%	314,232	6.21%
Nutrition services	1,075,409	19.52%	1,080,210	21.35%
Disease prevention and health promotion	17,726	0.32%	49,972	0.99%
National family caregiver support	85,598	1.55%	72,609	1.44%
Long-term care ombudsman	95,801	1.74%	99,172	1.96%
Prescription assistance	121,983	2.21%	122,538	2.42%
Utility assistance	59,459	1.08%	87,353	1.73%
Elderly housing management	25,670	0.47%	72,823	1.44%
Multi-purpose senior centers	137,471	2.50%	146,690	2.90%
Direct administrative expenses	193,069	3.51%	169,011	3.34%
Business Type Activities				
Bingo	3,043,881	55.26%	2,493,369	49.28%
Bingeaux Café	<u>328,752</u>	<u>5.97%</u>	<u>351,269</u>	<u>6.94%</u>
Total expenses	<u>5,508,264</u>	<u>100.00%</u>	<u>5,059,248</u>	<u>100.00%</u>
Increase (decrease) in net position	(209,265)		(281,413)	
Net position, beginning of the year	<u>415,716</u>		<u>697,129</u>	
Net position, end of the year	<u>\$ 206,451</u>		<u>\$ 415,716</u>	

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Continued)

As illustrated by the table above, the Council gets most of its revenues from operating grants and contributions that are specifically related to a program and must be used in the programs to which they relate. Unrestricted grants and contributions make up the second largest percentages of revenues and this revenue is available to management to use at its discretion. Charges for services arise from fees the Council has charged for providing a particular service and this revenue is used to pay for the expenses of the programs for which the fees were charged.

The expenses in the table have been presented by primary programs. In presenting this information, only direct program expenses are shown. The administrative expenses include all administrative expenses of the Council before any allocations were made to the various programs. Percentages have been presented for the expenses associated with each program for ease of analysis and to illustrate where the Council has spent its money this year and last year. The expense allocations are a good indication of the demand for each type of service.

The Council had a \$209,265 decrease in its net position for fiscal year 2014, whereas the decrease in net position for fiscal year 2013 was \$281,413. There is a reconciliation that follows the Statement of Revenues, Expenditures, and Changes in Fund Balances that presents an analysis of why there are differences between that particular fund financial statement and the government-wide Statement of Activities for fiscal year 2014.

AN ANALYSIS OF GOVERNMENTAL ACTIVITIES

Most of the Council's activities are funded by federal, state, and local grants. These grants amount to approximately 79% and 78% of the revenues of the Council in 2014 and 2013, respectively. Some of these grants are restricted which means that the money can only be used in certain programs. The amount of funds available from most of the grants remains rather constant from year to year, however, some grant amounts may change based upon the level of service provided by the Council under the terms of the particular grant award.

The Council also receives donations from its clients and the general public. These revenues help to lessen the financial burden on the Council and allow it to maintain and expand services. Public support revenues represented 20% and 21% of the total revenues for 2014 and 2013, respectively.

When reviewing the Government-Wide Statement of Activities, there are relationships that are important to the understanding of the Council's operations. The Council's largest activities are related to supportive and nutrition services. The Council's main focus is to meet the needs of the elderly citizens of the Parish. There is a high demand for these services; therefore, resources are channeled to meeting the demand.

You will also note that most of the governmental activities have more expenses than revenues. We expect this situation to occur and have prepared the Council's budgets for these activities with this in mind. Traditionally, general revenues are used to cover the excess of expenses over revenues in these activities.

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

**AN ANALYSIS OF THE COUNCIL'S FUNDS USING GOVERNMENTAL FUND
FINANCIAL STATEMENTS**

Fund Balances

The Council showed a combined governmental fund balance of (\$218,172) (as shown on the Fund Financial Statement's balance sheet on page 17) at the end of this year, which is a decrease of \$151,392 from last year.

Revenues

The combined fund revenues increased \$11,072 this year, or less than 1% from the previous year.

Expenditures

Total expenditures, excluding debt service payments, decreased \$95,647 this year, or 4%.

AN ANALYSIS OF THE GENERAL AND MAJOR SPECIAL REVENUE FUND BUDGETS

You can find schedules of the original and amended budgets for the general and major special revenue funds in the Supplementary Financial Information Required by GASB Statement 34 section of this report beginning on page 50.

AN ANALYSIS OF CAPITAL ASSET AND DEBT ADMINISTRATION

At the end of the year, the Council had \$685,396 in fixed assets net of accumulated depreciation. This amounted to a net increase of \$34,619 from last year.

Governmental Activities

	Balance July 1, 2013	Increases	Decreases	Balance June 30, 2014
Land & Building	\$ 756,580	\$ -	\$ -	\$ 756,580
Vehicles	12,516	-	(12,516)	-
Furniture & Equipment	147,171	7,932	-	155,103
	916,267	7,932	(12,516)	911,683
Less: Accumulated depreciation	(472,199)	(16,064)	4,171	(484,092)
Net capital assets - governmental activities	<u>\$ 444,068</u>	<u>\$ (8,132)</u>	<u>\$ (8,345)</u>	<u>\$ 427,591</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

Enterprise Activities

	Balance July 1, 2013	Increases	Decreases	Balance June 30, 2014
Building improvements	\$ 199,194	\$ 76,000	\$ (3,329)	\$ 271,865
Land improvements	136,048	-	-	136,048
Equipment	139,127	6,670	(7,708)	138,089
Furniture & Fixtures	19,668	-	-	19,668
	494,037	82,670	(11,037)	565,670
Less: Accumulated depreciation	(287,331)	(30,533)	9,999	(307,865)
Net capital assets - enterprise activities	<u>\$ 206,706</u>	<u>\$ 52,137</u>	<u>\$ (1,038)</u>	<u>\$ 257,805</u>

The Council has a line of credit collateralized by land and building. This amount, \$250,000, is shown as a reduction to net capital assets in the government-wide statement of net position. We have already discussed the nature and effects of the compensated absence liability.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The Council receives most of its funding from federal and state agencies. Because of this, the source of income for the Council is rather steady. However, some of the Council's grants and contracts are contingent upon the level of service provided by the Council, and therefore, revenues may vary from year to year. In setting its budget for fiscal year 2015, it was important that we deliver at least the same level of service to our clients and the public as we did in 2014.

All of the Council's grants and contracts from the usual federal and state agencies have been approved for fiscal year 2015. There have been no other significant changes to the funding levels or terms of the grants and contracts. Accordingly, we have set our initial budget to provide those programs and levels of service next year. GOEA has also approved the Council's budget for next year.

CONTACTING THE COUNCIL'S MANAGEMENT

Our financial report is designed to provide government agencies and the general public an overview of the Council's finances and to demonstrate accountability for the money that it receives. If you have any questions about this report or wish to ask for more information, you should contact Jackie Green, the Council's Executive Director, at the Council's main office located at 3950 Gerstner Memorial Drive, Lake Charles, Louisiana or by phone at 337-474-2583.



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The Board of Directors
Calcasieu Parish Voluntary Council on the Aging, Inc.
Lake Charles, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Calcasieu Parish Voluntary Council on the Aging, Inc., as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Calcasieu Parish Voluntary Council on the Aging, Inc. as of June 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 1 through 8 and 50 through 53 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Calcasieu Parish Voluntary Council on the Aging, Inc.'s basic financial statements. The schedule of non-major funds and comparative schedule of general fixed assets on pages 55 through 57 are presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for the purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

The schedule of non-major funds, comparative schedule of general fixed assets, comparative financial statements, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of non-major funds, comparative schedule of general fixed assets, comparative financial statements, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we also issued a report dated December 23, 2014, on our consideration of the Calcasieu Parish Voluntary Council on the Aging, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Calcasieu Parish Voluntary Council on the Aging, Inc.'s internal control over financial reporting and compliance.

Darnall, Sikes, Gardes & Frederick

A Corporation of Certified Public Accountants

Lafayette, Louisiana
December 23, 2014

GOVERNMENT WIDE FINANCIAL STATEMENTS

CALCASIEU PARISH VOLUNTARY COUNCIL ON THE AGING, INC.

Government Wide Statement of Net Position
June 30, 2014

	Primary Government		
	Governmental Activities	Business Type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 9,233	\$ 36,185	\$ 45,418
Inventory	-	2,491	2,491
Accounts receivable	7,575	2,335	9,910
Grants and contracts receivables	13,666	-	13,666
Other assets	4,070	-	4,070
Capital assets, net of accumulated depreciation	<u>427,591</u>	<u>257,805</u>	<u>685,396</u>
Total Assets	<u>462,135</u>	<u>298,816</u>	<u>760,951</u>
LIABILITIES			
Cash overdraft	144,148	-	144,148
Accounts payable	59,340	-	59,340
Accrued payroll	57,692	-	57,692
Other payables	1,169	3,021	4,190
Compensated absences payable	35,629	3,501	39,130
Due to other funds	(9,633)	9,633	-
Line of credit	<u>250,000</u>	<u>-</u>	<u>250,000</u>
Total Liabilities	<u>538,345</u>	<u>16,155</u>	<u>554,500</u>
NET POSITION			
Invested in capital assets, net of debt	177,591	-	177,591
Restricted for:			
Utility Assistance	24,879	-	24,879
Unrestricted	<u>(278,680)</u>	<u>282,661</u>	<u>3,981</u>
Total Net Position	<u>\$ (76,210)</u>	<u>\$ 282,661</u>	<u>\$ 206,451</u>

The accompanying notes are an integral part of this statement.

CALCASIEU PARISH VOLUNTARY COUNCIL ON THE AGING, INC.

Government Wide Statement of Activities
Year Ended June 30, 2014

	Direct Expenses	Indirect Expenses
Function/Programs		
Primary Government		
Governmental Activities		
Health, Welfare & Social Services:		
Supportive services:		
Homemaker	\$ 90,404	\$ 10,245
Information and assistance	11,694	18,552
Legal assistance	8,395	-
Material aid	-	-
Outreach	21,584	34,243
Other sub-priority services	15,116	23,980
Recreation	34,500	54,732
Nutrition services:		
Congregate meals	155,463	58,574
Home delivered meals	639,967	221,405
Disease prevention & health promotion	14,992	2,734
National family caregiver support	69,731	15,867
Long-term care ombudsman	95,801	-
Audit	-	-
Prescription assistance	121,983	-
Utility assistance	59,459	-
Housing	25,670	-
Multi-purpose senior centers	137,471	-
Administration	633,401	(440,332)
Total governmental activities	2,135,631	-
Business-Type Activities		
Bingo	3,043,881	-
Bingeaux Café	328,752	-
Total business-type activities	3,372,633	-
Total Primary Government	\$ 5,508,264	\$ -

Program Revenues			Net (Expense) Revenue and Increases (Decreases) in Net Position		Total
Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business Type Activities	
\$ 275	\$ 94,927	\$ -	\$ (5,447)	\$ -	\$ (5,447)
-	8,842	-	(21,404)	-	(21,404)
-	7,229	-	(1,166)	-	(1,166)
-	777	-	777	-	777
-	37,854	-	(17,973)	-	(17,973)
-	8,375	-	(30,721)	-	(30,721)
-	36,319	-	(52,913)	-	(52,913)
12,797	189,728	-	(11,512)	-	(11,512)
70,999	480,405	-	(309,968)	-	(309,968)
-	7,358	-	(10,368)	-	(10,368)
-	64,317	-	(21,281)	-	(21,281)
-	76,218	-	(19,583)	-	(19,583)
-	3,272	-	3,272	-	3,272
-	113,932	-	(8,051)	-	(8,051)
-	52,739	-	(6,720)	-	(6,720)
-	-	-	(25,670)	-	(25,670)
23,690	-	-	(113,781)	-	(113,781)
-	193,069	-	-	-	-
107,761	1,375,362	-	(652,508)	-	(652,508)
3,191,218	-	-	-	147,337	147,337
259,760	-	-	-	(68,992)	(68,992)
3,450,978	-	-	-	78,345	78,345
\$ 3,558,739	\$ 1,375,362	\$ -	\$ (652,508)	\$ 78,345	\$ (574,163)
General Revenues:					
Grants and contributions not restricted to specific programs			244,776	-	244,776
Unrestricted investment income			74	-	74
Miscellaneous			9,393	-	9,393
Long-term debt issued			50,000	-	50,000
Gain (loss) from sale of fixed assets			62,189	(1,534)	60,655
Transfers			50,213	(50,213)	-
Total general revenues and transfers			416,645	(51,747)	364,898
Increase (decrease) in net assets			(235,863)	26,598	(209,265)
Net position - beginning of the year			159,653	256,063	415,716
Net position - end of the year			\$ (76,210)	\$ 282,661	\$ 206,451

The accompanying notes are an integral part of this statement.

FUND FINANCIAL STATEMENTS

CALCASIEU PARISH VOLUNTARY COUNCIL ON THE AGING, INC.

Balance Sheet
Governmental Funds
June 30, 2014

	General Fund	Title IIIB	Title III C-1	Title III C-2	Non-Major Funds	Total
ASSETS						
Cash and cash equivalents	\$ 6,057	\$ -	\$ -	\$ -	\$ 3,176	\$ 9,233
Accounts receivable	7,575	-	-	-	-	7,575
Grants and contracts receivable	13,666	-	-	-	-	13,666
Due from other funds	9,632	-	-	-	21,705	31,337
Other assets	1,916	-	-	-	2,154	4,070
Total Assets	<u>\$ 38,846</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27,035</u>	<u>\$ 65,881</u>

LIABILITIES AND FUND BALANCES

LIABILITIES						
Cash overdraft	\$ 144,148	\$ -	\$ -	\$ -	\$ -	\$ 144,148
Accounts payable	59,340	-	-	-	-	59,340
Accrued payroll	57,692	-	-	-	-	57,692
Other payables	1,169	-	-	-	-	1,169
Due to other funds	21,704	-	-	-	-	21,704
Total Liabilities	<u>284,053</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>139,905</u>

FUND BALANCES

Restricted for:						
Energy assistance	-	-	-	-	24,879	24,879
Unassigned	(245,207)	-	-	-	2,156	(243,051)
Total Fund Balances	<u>(245,207)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>27,035</u>	<u>(218,172)</u>
Total Liabilities and Fund Balances	<u>\$ 38,846</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27,035</u>	

Amounts reported for governmental activities in statement of net assets are different because:

-Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in the governmental funds	\$ 427,591
-Long-term liabilities are not due and payable in the current year and therefore are not reported in the governmental funds	(250,000)
-Compensated absences are not paid for out of current financial resources and therefore are not reported as liabilities in the governmental funds	(35,629)
Net position of governmental activities	<u>\$ (76,210)</u>

The accompanying notes are an integral part of this statement

CALCASIEU PARISH VOLUNTARY COUNCIL ON THE AGING, INC.

**Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2014**

	General Fund	Title III B	Title III C-1	Title III C-2	Non-Major Funds	Total
REVENUES						
Intergovernmental:						
Governor's Office of Elderly Affairs	\$ 351,033	\$ 167,324	\$ 189,728	\$ 201,814	\$ 351,690	\$ 1,261,589
Louisiana Department of Insurance	-	-	-	-	5,000	5,000
Calcasieu Parish Police Jury	40,083	-	-	100,000	-	140,083
City of Sulphur	16,000	-	-	-	-	16,000
Public support:						
Contributions - unrestricted	30,729	-	-	-	5,002	35,731
United Way of Southwest Louisiana	-	27,000	-	81,996	-	108,996
Utility company assistance programs	-	-	-	-	52,739	52,739
Client contributions	22,071	177	12,797	70,999	-	106,044
Interest and other income	74	-	-	-	-	74
Program service fees:						
Medicaid fees	-	98	-	-	-	98
Local and miscellaneous	<u>11,012</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,012</u>
Total Revenues	<u>471,002</u>	<u>194,599</u>	<u>202,525</u>	<u>454,809</u>	<u>414,431</u>	<u>1,737,366</u>
EXPENDITURES						
Health, Welfare, & Social Services						
Current:						
Salaries	101,595	153,287	97,859	328,159	190,539	871,439
Fringe	12,219	16,711	10,265	34,742	21,159	95,096
Travel	12,711	4,271	1,555	56,080	8,246	82,863
Operating services	48,112	47,306	24,995	103,641	50,404	274,458
Operating supplies	59,992	9,529	11,815	30,665	8,710	120,711
Other costs	-	-	-	-	25,670	25,670
Full service contracts	-	92,341	67,548	308,085	41,965	509,939
Meals	9,562	-	-	-	85	9,647
Utility assistance	-	-	-	-	59,459	59,459
Capital outlay	7,932	-	-	-	-	7,932
Debt service - principal and interest	<u>2,291</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,291</u>
Total Expenditures	<u>254,414</u>	<u>323,445</u>	<u>214,037</u>	<u>861,372</u>	<u>406,237</u>	<u>2,059,505</u>
Excess (deficiency) of revenues over expenditures	<u>216,588</u>	<u>(128,846)</u>	<u>(11,512)</u>	<u>(406,563)</u>	<u>8,194</u>	<u>(322,139)</u>
OTHER FINANCING SOURCES (USES)						
Long-term debt issued	50,000	-	-	-	-	50,000
Proceeds from sale of land	70,534	-	-	-	-	70,534
Operating transfers in (Note 20)	118,916	128,846	11,512	406,563	172,917	838,754
Operating transfers out (Note 20)	<u>(676,971)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(111,570)</u>	<u>(788,541)</u>
Total other financing sources (uses)	<u>(437,521)</u>	<u>128,846</u>	<u>11,512</u>	<u>406,563</u>	<u>61,347</u>	<u>170,747</u>
Excess (Deficiency) of revenues and other sources over expenditures and other (uses)	(220,933)	-	-	-	69,541	(151,392)
FUND BALANCES						
Beginning of the year	<u>(24,274)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(42,506)</u>	<u>(66,780)</u>
End of the year	<u>\$ (245,207)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27,035</u>	<u>\$ (218,172)</u>

The accompanying notes are an integral part of this statement.

CALCASIEU PARISH VOLUNTARY COUNCIL ON THE AGING, INC.

Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended June 30, 2014

Net decrease in fund balances - total governmental funds \$ (151,392)

Reconciling items:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation (\$16,064) exceeds capital outlay (\$7,932) in the current period. (8,132)

Net loss on sale of fixed assets (8,345)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes current financial resources. This is the amount by which debt proceeds exceed debt service principal payments. (50,000)

Compensated absences is reported as an expense in the statement of activities, but as they do not require the use of current financial resources, they are not reported as expenditures in governmental funds (17,994)

Decrease in net assets of governmental activities \$ (235,863)

The accompanying notes are an integral part of this statement

CALCASIEU PARISH VOLUNTARY COUNCIL ON THE AGING, INC.

Statement of Net Position
Proprietary Funds
June 30, 2014

	Business-type Activities Enterprise Funds		
	Bingo Account	Bingeaux Café	Total
ASSETS			
Current assets:			
Cash	\$ 35,185	\$ 1,000	\$ 36,185
Inventory	-	2,491	2,491
Miscellaneous receivable	2,335	-	2,335
Total current assets	<u>37,520</u>	<u>3,491</u>	<u>41,011</u>
Noncurrent assets:			
Capital assets			
Equipment	79,370	58,720	138,090
Furniture and fixtures	19,668	-	19,668
Building improvements	260,923	10,942	271,865
Land improvements	136,048	-	136,048
Less: accumulated depreciation	(249,994)	(57,872)	(307,866)
Property and equipment, net	<u>246,015</u>	<u>11,790</u>	<u>257,805</u>
Noncurrent assets	<u>246,015</u>	<u>11,790</u>	<u>257,805</u>
Total assets	<u>\$ 283,535</u>	<u>\$ 15,281</u>	<u>\$ 298,816</u>
LIABILITIES			
Current liabilities:			
Other payables	1,200	1,821	3,021
Due to other funds	9,633	-	9,633
Accrued leave payable	1,869	1,632	3,501
Total current liabilities	<u>12,702</u>	<u>3,453</u>	<u>16,155</u>
Total liabilities	<u>12,702</u>	<u>3,453</u>	<u>16,155</u>
NET POSITION			
Unrestricted	<u>270,833</u>	<u>11,828</u>	<u>282,661</u>
Total Net Position	<u>\$ 270,833</u>	<u>\$ 11,828</u>	<u>\$ 282,661</u>

The accompanying notes are an integral part of this statement

CALCASIEU PARISH VOLUNTARY COUNCIL ON THE AGING, INC.

Statement of Revenues, Expenditures and Changes in Fund Net Position
Proprietary Funds
Year Ended June 30, 2014

	Bingo Account	Bingeaux Café	Total
OPERATING REVENUES:			
Charges for sales and services	\$ 2,908,618	\$ 245,976	\$ 3,154,594
Rental income	282,600	1,335	283,935
Miscellaneous income	-	12,449	12,449
Total operating revenue	<u>3,191,218</u>	<u>259,760</u>	<u>3,450,978</u>
OPERATING EXPENSE			
Cost of sales and services	2,491,527	163,234	2,654,761
Salaries	271,716	123,659	395,375
Fringe	25,641	11,697	37,338
Travel	-	121	121
Operating services	203,714	15,077	218,791
Operating supplies	18,374	11,104	29,478
Other costs	104	-	104
Meals	927	-	927
Depreciation	27,420	3,117	30,537
Total operating expenses	<u>3,039,423</u>	<u>328,009</u>	<u>3,367,432</u>
Operating income (loss)	151,795	(68,249)	83,546
NONOPERATING REVENUE (EXPENSES)			
Loss on disposal of fixed assets	(1,534)	-	(1,534)
Interest expense	(4,458)	(743)	(5,201)
Total nonoperating expenses	<u>(5,992)</u>	<u>(743)</u>	<u>(6,735)</u>
Income (loss) before transfers	145,803	(68,992)	76,811
Transfers in	-	65,431	65,431
Transfers out	(115,644)	-	(115,644)
Net transfers	<u>(115,644)</u>	<u>65,431</u>	<u>(50,213)</u>
Change in net assets	30,159	(3,561)	26,598
Net position, beginning	<u>240,674</u>	<u>15,389</u>	<u>256,063</u>
Net position, ending	<u>\$ 270,833</u>	<u>\$ 11,828</u>	<u>\$ 282,661</u>

The accompanying notes are an integral part of this statement

CALCASIEU PARISH VOLUNTARY COUNCIL ON THE AGING, INC.

Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2014

	Business-type Activities - Enterprise Funds		
	Proprietary Fund Types		
	Bingo	Bingeaux	
	Account	Café	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	\$ 3,193,633	\$ 259,760	\$ 3,453,393
Cash payments for cost of sales and prizes	(2,491,432)	(163,149)	(2,654,581)
Cash payments to suppliers for goods and services	(223,119)	(26,302)	(249,421)
Cash payments to employees and professional contractors for services	(298,718)	(133,897)	(432,615)
Net cash provided (used) by operating activities	<u>180,364</u>	<u>(63,588)</u>	<u>116,776</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Due to other funds	1,696	-	1,696
Transfers in	-	65,431	65,431
Transfers out	(115,644)	-	(115,644)
Net cash provided (used) by noncapital financing activities	<u>(113,948)</u>	<u>65,431</u>	<u>(48,517)</u>
CASH FLOWS FROM CAPITAL AND CAPITAL RELATED FINANCING ACTIVITIES			
Purchase of capital assets	(82,066)	(1,100)	(83,166)
Payment of interest	(4,458)	(743)	(5,201)
Net cash provided (used) by capital and capital related financing activities	<u>(86,524)</u>	<u>(1,843)</u>	<u>(88,367)</u>
Net increase (decrease) in cash and cash equivalents	(20,108)	-	(20,108)
Cash beginning of year	<u>55,293</u>	<u>1,000</u>	<u>56,293</u>
Cash end of year	<u>\$ 35,185</u>	<u>\$ 1,000</u>	<u>\$ 36,185</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income (loss)	151,795	(68,249)	83,546
Add depreciation expense	27,420	3,117	30,537
(Increase) decrease in current assets:			
Miscellaneous receivable	2,415	-	2,415
Inventory	-	(86)	(86)
Increase (decrease) in current liabilities:			
Other payables	95	171	266
Accrued leave payable	(1,361)	1,459	98
Net cash provided by operating activities	<u>\$ 180,364</u>	<u>\$ (63,588)</u>	<u>\$ 116,776</u>

The accompanying notes are an integral part of this statement

CALCASIEU PARISH VOLUNTARY COUNCIL ON THE AGING, INC.

Statement of Fiduciary Net Position-
Fiduciary Fund
Year Ended June 30, 2014

	<u>Progressive Jackpot</u>
ASSETS	
Cash	<u>\$ 15,093</u>
Total Assets	<u>\$ 15,093</u>
NET POSITION	
Held in trust for payment to progressive game winners	<u>\$ 15,093</u>

The accompanying notes are an integral part of this statement

CALCASIEU PARISH VOLUNTARY COUNCIL ON THE AGING, INC.

Statement of Changes in Fiduciary Net Position-
Fiduciary Fund
Year Ended June 30, 2012

	<u>Progressive Jackpot</u>
ADDITIONS	
Deposits by session participants	<u>\$ 149,600</u>
Total additions	<u>149,600</u>
DEDUCTIONS	
Payments to game winners	<u>180,500</u>
Total deductions	<u>180,500</u>
 Change in net assets	 (30,900)
 Net position - July 1, 2013	 <u>45,993</u>
Net position - June 30, 2014	<u><u>\$ 15,093</u></u>

The accompanying notes are an integral part of this statement

CALCASIEU PARISH VOLUNTARY COUNCIL ON THE AGING, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of Calcasieu Parish Voluntary Council on the Aging, Inc. (the Council) conform to the accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental and financial reporting principles. Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements. The following is a summary of certain significant accounting policies used by the Council:

A. Purpose of the Council on Aging

The local councils on the aging were created under Act No. 456 of 1964 for the welfare of the aging people in their respective parishes. Charters are issued by the Louisiana Secretary of State upon approval by the Governor's Office of Elderly Affairs (GOEA) and any other entity that provides the Council with federal or state funds.

The purpose of the Council is to afford an avenue for working out a more complete understanding of the problems, interests and desires of the elderly people of Calcasieu Parish, anyone who has attained the age of sixty (60) years shall be considered elderly; to develop plans for counseling the elderly about the problems of aging and to implement such plans; to develop and implement plans and programs of education whereby people who need to supplement their retirement income or those who wish to do so will be able to earn an income by their own efforts; to develop and implement plans and programs of education for the improvement of healthy, social and recreational welfare of elderly people to collect facts and statistics and make special studies of conditions pertaining to employment, health, financial status, recreation, social adjustment and other conditions affecting the welfare of the elderly of Calcasieu parish and to interpret such findings and make recommendations for improvement to the Governor's Office of Elderly Affairs.

B. Reporting Entity

In 1964, the State of Louisiana passed Act 456 authorizing the charter of a voluntary council on aging for the welfare of the aging people in each parish of Louisiana. However, before the council on aging can begin operations in a specific parish, its application for a charter must receive approval from the Governor's Office of Elderly Affairs pursuant to LA R.S. 46:1602. The functions of each council on aging in Louisiana must comply with the objectives of state laws and each council is governed by the policies and regulations established by GOEA.

The Calcasieu Parish Voluntary Council on the Aging, Inc. (Council) was incorporated in May 26, 1982.

A Board of Directors, consisting of 17 voluntary members, representing each of the 15 districts of Calcasieu parish plus two 2 members at large, governs the Council.

CALCASIEU PARISH VOLUNTARY COUNCIL ON THE AGING, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Membership in the Council is open at all times, without restriction, to all residents of Calcasieu Parish who have reached the age of majority and who express an interest in the Council and wish to contribute to or share in its programs. Membership fees are not charged.

Based on the criteria set forth in GASB Statement 14, *The Financial Reporting Entity*, the Council is not a component unit of another primary government, nor does it have any component units that are related to it. In addition, based on the criteria set forth in this statement, the Council has presented its financial statements as a special-purpose, stand-alone government; accordingly, it is applying the provisions of Statement 14 as if it were a primary government.

C. Presentation of Statements

The Council's basic financial statements consist of "government-wide" financial statements on all activities of the Council, which are designed to report the Council as a whole entity, and "fund" financial statements, which purpose are to report individual major governmental funds and combined nonmajor governmental funds.

Both the government-wide and fund financial statements categorize primary activities as either "governmental" or "business" type. The Council's functions and programs have all been categorized as "governmental" activities or "business" activities. The Council does not have any fiduciary funds, or any component units that are fiduciary in nature. Accordingly, the government-wide financial statements do not include any of these activities or funds.

D. Basic Financial Statements – Government-Wide Statements

The government-wide financial statements include the Statement of Net Position and the Statement of Activities for all activities of the Council. As a general rule, the effect of interfund activity has been eliminated from these statements. The government-wide presentation focuses primarily on the sustainability of the Council as an entity and the change in its net position (financial position) resulting from the activities of the current fiscal year. Intergovernmental revenues primarily support governmental activities.

In the Government-Wide Statement of Net Position, the governmental type activities column and business-type activities column (a) are presented on a consolidated basis by column, (b) and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Council's net position is reported in three parts - invested in capital assets, net of related debt; restricted net position; and unrestricted net position. Invested in capital assets, net of related debt consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those capital assets. Restricted net position consists of net positions with constraints placed on the use either by (1) external groups such as

CALCASIEU PARISH VOLUNTARY COUNCIL ON THE AGING, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. Unrestricted net position includes all other net positions that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

The Statement of Net Position has been prepared on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Council's net position is reported in three parts – invested in capital assets, net of related debt; restricted net position; and unrestricted net position.

The government-wide Statement of Activities reports both the gross and net cost of each of the Council's functions and significant programs. Many functions and programs are supported by general government revenues like intergovernmental revenues, and unrestricted public support, particularly if the function or program has a net cost. The Statement of Activities begins by presenting gross direct and indirect expenses that include depreciation and amortization, and then reduces the expenses by related program revenues, such as charges for services, operating and capital grants, and restricted contributions, to derive the net cost of each function or program. Program revenues must be directly associated with the function or program to be used to directly offset its cost. Operating grants include operating-specific and discretionary (either operating or capital) grants, while the capital grants column reflects capital-specific grants.

Direct expenses reported in the Statement of Activities are those that are clearly identifiable with a specific function or program, whereas, the Council allocates its indirect expenses among various functions and programs in accordance with OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*. The Statements of Activities shows this allocation in a separate column labeled "indirect expenses."

In the Statements of Activities, charges for services represent program revenues obtained by the Council when it renders services provided by a specific function or program to people or other entities. Unrestricted contributions, unrestricted grants, interest income and miscellaneous revenues that are not included among program revenues are reported instead as general revenues in the statement. Special items, if any, are significant transactions within the control of management that are either unusual in nature or infrequent in occurrence and are separately reported below general revenues. The Council did not have any material special items this year.

E. Basic Financial Statements - Fund Financial Statements

The fund financial statements present financial information very similar to that which was included in the general-purpose financial statements issued by governmental entities before GASB Statement No. 34 required the format change.

The daily accounts and operations of the Council continue to be organized using funds. Fund accounting is designed to demonstrate legal compliance and to aid financial

CALCASIEU PARISH VOLUNTARY COUNCIL ON THE AGING, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

management by segregating transactions relating to certain governmental functions or activities. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues, and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

The Council uses governmental fund types. The focus of the governmental funds' measurement (in the fund statements) is on determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than on net income. An additional emphasis is placed on major funds within the governmental fund types. A fund is considered major if it is the primary operating fund of the Council or if its total assets, liabilities, revenues, or expenditures are at least 10% of the corresponding total for all funds of that category or type. In addition, management may also choose to report any other governmental fund as a major fund if it believes the fund is particularly important to financial statement users. The nonmajor funds are summarized by category or fund type into a single column in the fund financial statements.

Governmental fund equity is called the fund balance. Fund balance is further classified on a hierarchy that shows, from the highest to the lowest, the level or form of constraints on fund balance and accordingly, the extent to which the Council is bound to honor them; nonspendable, restricted, committed, assigned, and unassigned.

The following is a description of the governmental funds of the Council:

The General Fund is the primary operating fund of the Council and is used to account for all financial resources except those required to be accounted for in another fund. The following is a description of the programs or funding sources that comprise the Council's General Fund:

Local Programs and Funding are revenues that are not required to be accounted for in a specific program or fund. Accordingly, these revenues have been recorded in the local program of the General Fund. These funds are mostly unrestricted, which means they may be used at management's discretion. Expenditures to acquire fixed assets, and expenditures for costs not allowed by another program due to budget limitations or the nature of the expenditures, are charged to the local program. Because of their unrestricted nature, local funds are often transferred to other programs to eliminate deficits in cases where the expenditures of the other programs exceeded their revenues. In addition, capital outlay expenditures are usually made with local funds to minimize restrictions on the use and disposition of fixed assets.

CALCASIEU PARISH VOLUNTARY COUNCIL ON THE AGING, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

PCOA (Act 735) funds are appropriated annually for the Council by the Louisiana Legislature and remitted to the Council via the Governor's Office of Elderly Affairs (GOEA). The Council's management may use these "Act 735" funds at its discretion to fund any of its programs provided the program is benefiting elderly people (those who are at least 60 years old). In fiscal year 2014, the Council received this grant money into its General Fund and management transferred all \$86,255 of the PCOA funds to the Title III C-2 Nutrition Services Fund to help pay for program expenditures of that fund.

The Senior Center Fund is used to account for the administration of Senior Center program funds appropriated by the Louisiana Legislature to GOEA, which in turn "passes through" the funds to the Council. The purpose of this program is to provide a community service center at which elderly people can receive supportive social services and participate in activities which foster their independence, enhance their dignity, and encourage their involvement in and with the community. The Council operates four senior centers in Calcasieu Parish, Louisiana. Senior Center funds can be used at management's discretion to support any of the Council's programs that benefit the elderly.

The Supplemental Senior Center Fund was established to account for funds that were appropriated by the Louisiana Legislature for the various councils on aging throughout Louisiana to supplement each council's primary grant for senior center operations and activities. The Calcasieu Parish Voluntary Council on the Aging, Inc. was one of the parish councils to receive a supplemental grant of \$3,100. The money received by this fund during the year was transferred to the Title III B Fund to supplement the supportive services provided by this fund. GOEA provided these funds to the Council.

The Title III-C Area Agency Administration (AAA) Fund is used to account for some of the administrative costs associated with operating the Special Programs for the Aging.

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments and major capital projects) that are legally restricted to expenditures for specified purposes. Most of the Council's special revenue funds are provided by GOEA. The Title III funds are provided by the United States Department of Health and Human Services – Administration on Aging through the Governor's Office of Elderly Affairs which in turn "passes through" the funds to the Council.

The Council has established several special revenue funds. The following is a brief description of each special revenue fund's purpose:

CALCASIEU PARISH VOLUNTARY COUNCIL ON THE AGING, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Major Special Revenue Funds

The **Title III B Fund** accounts for funds which are used to provide various types of supportive social services to the elderly. GOEA has established the criteria for defining a qualifying unit of service for each Title III program. Specific supportive services, along with the number of units provided during the fiscal year, are as follows:

	<u>Units</u>
Homemaker	2,470
Information and assistance	2,179
Telephoning	2,224
Legal assistance	110
Outreach	474
Medical alert	60
Recreation	28,852
Utility assistance	600

The two main sources of revenue received this year that form the basis of this fund is a grant the Council received from GOEA for Special Programs for the Aging _ Title III, Part B Supportive Services (\$167,324) and restricted, voluntary contributions from the public (\$27,275), including those people who actually received transportation and homemaker services.

Title III C-1 Fund receives funding from United States Department of Health and Human Services through the Louisiana Governor's Office of Elderly Affairs, which "passes through" the funds to the Council. This fund is used to account for funds which are used to provide nutritional, congregate meals to the elderly in strategically located centers. During the fiscal year ended June 30, 2014, the Council served about 24,563 congregate meals and also provided 104 units of nutritional education to eligible participants.

There was one main source of revenue received this year that form the basis of this fund: Grants from GOEA for Special Programs for the Aging _ Title III, Part C-1 Nutrition Services (\$189,728).

The **Title III C-2 Fund** is used to account for funds that are used to provide nutritional meals to homebound people who are age 60 or older. Using Title III C-2 funds the Council served 112,019 meals and also provided 211 units of nutritional education during the year to people eligible to participate in this program.

There were three main sources of revenue received this year that form the basis of this fund: Grants from GOEA for Special Programs for the Aging _ Title III, Part C-2 Nutrition Services (\$201,814), Grants from Calcasieu Parish Police Jury (\$100,000), and restricted, voluntary contributions from the public (\$152,995), including those persons actually receiving home-delivered meal services.

CALCASIEU PARISH VOLUNTARY COUNCIL ON THE AGING, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Non-Major Special Revenue Funds

The Title III D Fund is used to account for funds used for disease prevention and health promotion (wellness) activities. During the fiscal year 164 units of wellness service were provided to eligible participants in this program. The main source of the revenue forming the basis for this fund is a grant the Council received from GOEA for Special Programs for the Aging _ Title III, Part D _ Disease Prevention and Health Promotion Services (\$7,357).

The Title III E Fund is used to account for funds used to provide services, such as; (1) information to caregivers about available services, (2) assistance to caregivers in gaining access to the services, (3) individual counseling, (4) organizational support groups, (5) caregiver training to caregivers in making decisions and solving problems relating to their caregiving roles, (6) respite care to enable caregivers to be temporarily relieved from their caregiving responsibilities, and (7) supplemental services, on a limited basis, to complement the care provided by caregivers. Then number of units provided under the Title III E is as follows:

	<u>Units</u>
Information and assistance	218
Outreach	118
Material aid	759
In-home respite	1,355
Support group	24
Public education	50
Personal care	340
Sitter	176

The main source of the revenue forming the basis for this fund is a grant the Council received from GOEA for the Title III, Part E _ National Family Caregivers Support Program (\$64,319).

The Title III B - Ombudsman Fund is used to account for funds used to provide people age 60 and older residing in long-term facilities a representative to ensure that such residents' rights are upheld, to resolve complaints by residents with the management of the long-term care facility, and to promote quality care at the facility.

The N.S.I.P. Fund is used to account for the administration of Nutrition Services Incentives Program Funds provided by the Administration on Aging, United States Department of Health and Human Services through the Governor's Office of Elderly Affairs, which in turn "passes through" the funds to the Council. GOEA distributes N.S.I.P. funds to each parish council on aging in Louisiana based on how many meals each council on aging served in the previous year in relation to the total meals served statewide by all councils. Using this formula, the Council receives funding from GOEA for each congregate and home-delivered meal it serves. The primary purpose of the N.S.I.P. reimbursement is to provide money to buy food

CALCASIEU PARISH VOLUNTARY COUNCIL ON THE AGING, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

that will be used in the preparation of congregate and home-delivered meals under nutrition service programs. The food that is purchased for these purposes must be of United States origin or be commodities from the United States Department of Agriculture.

The SenioRx Program Fund is used to account for funds used to provide senior citizens access to medication via the Louisiana Senior Rx Program.

The Energy Fund is used to account for the administration of programs that are sponsored by local utility companies. The companies collect contributions from service customers and employees and remit the funds directly to the Council or to the Louisiana Association of Councils on Aging (LACOA), which in turn remits funds relating to the Calcasieu Parish Voluntary Council on the Aging, Inc. These funds are used to provide financial assistance to the elderly for the payment of their utility bills.

The Audit Fund is used to account for funds received from the Governor's Office of Elderly Affairs that are restricted to use as a supplement to pay for the cost of having an annual audit of the Council's financial statements.

The Housing Fund was created to assist in the development of affordable housing for the elderly.

The MIPPA Fund is used to account for funds relating to supporting outreach and assistance efforts directed toward Medicare beneficiaries with limited incomes who may be eligible for Medicare Part D, Low-Income Subsidiary (LIS) and Medicare Savings Programs (MSP). The goal is to provide outreach to individuals in Calcasieu Parish, Louisiana with special emphasis on rural communities and to increase public awareness and enrollment into the benefits available under LIS and MSP.

Business – Type Funds

Proprietary Funds are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. The Council applies all Government Accounting Standards Board (GASB) pronouncements as well as the Financial Accounting Standards Board (FASB) pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements. The Council has not elected to apply those FASB pronouncements issued after November, 30, 1989 for its proprietary activities. Proprietary funds included the following fund types:

Enterprise funds are used to account for those operations that are financed and operated in a manner similar to private business or where management has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability.

CALCASIEU PARISH VOLUNTARY COUNCIL ON THE AGING, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The following enterprise funds are utilized by the Council:

Bingo Fund accounts for the income and expenses associated with the bingo sessions held at the Council's main location.

Bingeaux Café Fund accounts for the operation of the concession area during the various bingo sessions.

Fiduciary Funds account for assets held by the Council in a trustee capacity or as an agent on behalf of others. Trust funds account for assets held by the Council under the terms of a formal trust agreement.

The following funds are fiduciary funds:

The Progressive Jackpot Fund has been set up and held in trust for the bingo Session Sponsors. Amounts are deposited from each bingo session which accumulate and are disbursed when a bingo participant wins the blackout bingo game.

F. Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Accrual Basis – Government-Wide Financial Statements (GWFS):

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred. Regardless of the time of related cash flows.

Modified Accrual Basis – Fund Financial Statements (FFS):

Governmental fund level financial statements are reported using a current financial resources measurement focus and the modified accrual basis of accounting. A current financial resources measurement focus means that only current assets and current liabilities are generally included on the fund balance sheet. The operating statements of the funds present increases (revenues and other financing sources) and decreases (expenditures and other uses) in net current assets. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., when they are both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period.

CALCASIEU PARISH VOLUNTARY COUNCIL ON THE AGING, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

For this purpose, the Council considers revenues to be "available" if they are collected within 60 days of the current fiscal year end. Expenditures are generally recorded under the modified accrual basis of accounting when the related liability is incurred, if measurable, except for the following: (1) unmatured principal and interest on long-term debt, if any, are recorded when due, and (2) claims, judgments, and compensated absences are recorded as expenditures when paid with expendable available financial resources. Depreciation and amortization are costs that are not recognized in the governmental funds.

G. Interfund Activity

In the fund financial statements, interfund activity is reported as either loans or transfers. Loans between funds are reported as interfund receivables (due from) and payables (due to) as appropriate. Transfers represent a permanent reallocation of resources between funds. In other words, they are not expected to be repaid.

In the government-wide financial statements, all types of interfund transactions are eliminated when presenting the governmental activity information.

H. Cash and Cash Equivalents

Cash includes amounts in demand deposits, interest-bearing demand deposits, and petty cash. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Cash and cash equivalents are reported at their carrying amounts that equal their fair values.

I. Receivables

The financial statements for the Council do not contain an allowance for uncollectible receivables because management believes all amounts will be collected. However, if management becomes aware of information that would change its assessment about the collectability of any receivable, management would write off the receivable as bad debt at that time.

J. Inventory

For proprietary funds, inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund type inventories are recorded as expenditures when purchased rather than when consumed, whereas proprietary funds recorded them when consumed.

CALCASIEU PARISH VOLUNTARY COUNCIL ON THE AGING, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Prepaid Expenses/Expenditures

Prepaid expenses include amounts paid in advance for goods and services. Prepaid expenses are shown as either current or other assets on the government-wide Statement of Net Position, depending on when management expects to realize their benefits. In the fund financial statements, management has elected not to include amounts paid for future goods and services as expenditures until those services are consumed. This method of accounting for prepaid expenditures helps assure management that costs incurred will be reported in accordance with the Council's cost reimbursement grants. These types of grants do not permit the Council to obtain reimbursement for qualified expenditures until the goods and services relating to them are consumed. As a result, the prepaid expenditures are shown as an asset on the balance sheet of the fund financial statements until they are consumed. In addition, a corresponding amount of the fund balance of the General Fund has been classified as nonspendable to reflect the amount of fund balance not currently available for expenditure.

For purposes of presenting prepaid expenses in the government-wide statements, the Council will follow the same policy it uses to record prepaid expenditures in the fund financial statements with one exception. Disbursements made as "matching" payments to acquire vehicles that will be titled to another government are recorded as a prepaid expense and amortized in the Statement of Net position to better present the economics of this type of transaction and to keep from distorting the Council's transportation expenses in the Statement of Activities. In contrast, 100% of the "matching" payments are reported in the fund financial statements as intergovernmental expenditures when the vehicles are received.

L. Capital Assets

The accounting and reporting treatment used for property, vehicles, and equipment (capital assets) depends on whether the capital assets are reported in the government-wide financial statements or the fund financial statements.

Government-Wide Financial Statements

Capital assets are long-lived assets purchased or acquired with an original cost of at least \$1,000 and have an estimated useful life of greater than one year. When purchased or acquired, these assets are recorded as capital assets in the government-wide statement of Net Position. If the asset was purchased, it is recorded in the books at its cost. If the asset was donated, then it is recorded at its estimated fair market value at the date of donation. Capital assets will also include major repairs to equipment and vehicles that significantly extend the asset's useful life. Routine repairs and maintenance are expensed as incurred.

CALCASIEU PARISH VOLUNTARY COUNCIL ON THE AGING, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Capital Assets (continued)

For capital assets recorded in the government-wide financial statements, depreciation is computed and recorded using the straight-line method for the asset's estimated useful life. The Council follows a guideline issued by the State of Louisiana's Office of Statewide Reporting and Accounting to establish the useful lives of the various types of capital assets that are depreciated and the method used to calculate annual depreciation.

Using this guideline, the estimated useful lives of the various classes of depreciable capital assets are as follows:

Building and improvements	40 years
Equipment	5-7 years
Vehicles	5 years
Computers	3 years

When calculating depreciation, the State's guidelines assumes that capital assets will not have any salvage value.

M. Non-Current (Long-term) Liabilities

The accounting treatment of non-current liabilities depends on whether they are reported in the government-wide or fund financial statement. In the government-wide financial statements, all non-current liabilities that will be repaid from governmental resources are reported as liabilities. In the fund financial statements, non-current liabilities for governmental funds are not reported as liabilities or presented elsewhere in these statements.

N. Unpaid Compensated Absences

The Council's policies for vacation time permit employees to accumulate earned but unused vacation leave. Accordingly, a liability for the unpaid vacation leave has been recorded in the Government-Wide Statements. Management has estimated the current and long-term portions of this liability based on historical trends. The amount accrued as the compensated absence liability was determined using the number of vested vacation hours for each employee multiplied by the employee's wage rate in effect at the end of the year.

In contrast, the governmental funds in the Fund Financial Statements report only compensated absence liabilities that are payable from expendable available financial resources to the extent that the liabilities mature (or come due for payment). Vacation leave does not come due for payment until an employee makes a request to use it or terminates employment with the Council. Accordingly, no amounts have been accrued as fund liabilities as of year-end in the Fund Financial Statements. The differences in the methods of accruing compensated absences create a reconciling item between the fund and government-wide financial statement presentations.

CALCASIEU PARISH VOLUNTARY COUNCIL ON THE AGING, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. Unpaid Compensated Absences (continued)

The Council's sick leave policy does not provide for the vesting of sick leave thereby requiring the employee to be paid for any unused leave upon termination of employment. Accordingly, no amounts have been accrued as unpaid compensated absences in the Government-Wide Financial Statements relative to sick leave.

O. Deferred Revenues

The Council reports deferred revenues on both the Statement of Net Position (government-wide) and the Balance Sheet (fund financial statements). Deferred revenues arise when the Council receives resources before it has a legal claim to them, subsequent periods, when the Council has a legal claim to the resources, the liability for deferred revenue is removed from the Statement of Net Position and the Fund Balance Sheet, whichever the case might be, and the revenue is recognized. The Council did not have any deferred revenue at year end.

P. Net Position in the Government-wide Financial Statements

In the government-wide Statement of Net Position, the Net Position amounts is classified and displayed in three components:

- Invested in capital assets – This component consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those capital assets. At year-end the Council did not have any borrowings that were related to capital assets.
- Restricted net position – This component consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- Unrestricted net position – This component consists of all other net positions that do not meet the definition of "restricted" or "invested in capital assets."

When both restricted and unrestricted resources are available for use, it is the Council's policy to use restricted resources first to finance its activities.

CALCASIEU PARISH VOLUNTARY COUNCIL ON THE AGING, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Q. Fund Equity – Fund Financial Statements

Governmental fund equity is classified as fund balance. GASB Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions* provides fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- **Nonspendable:** This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The Council did not have any nonspendable resources as of year-end.
- **Restricted:** This classification includes amounts for which constraints have been placed on the use of resources are either:
 - Externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or
 - Imposed by law through constitutional provisions or enabling legislation.

The Council has a restricted fund balance of \$24,879 as of June 30, 2014, which represents the contributors' restriction of resources to be used for utility assistance.

- **Committed:** This classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action (resolution) of the Council's board of directors, which is the Council's highest level of decision-making authority. These amounts cannot be used for any other purposes unless the board of directors removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The Council did not have any committed resources as of year-end.
- **Assigned:** This classification includes amounts that are constrained by the Council's intent to be used for a specific purpose but are neither restricted nor committed. This intent should be expressed by the Council's (1) board of directors, (2) its finance committee, or (3) an official, such as the executive director, to which the board of directors has delegated the authority to assign amounts to be used for a specific purpose. The Council did not have any assigned resources as of year-end.

CALCASIEU PARISH VOLUNTARY COUNCIL ON THE AGING, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Q. Fund Equity – Fund Financial Statements (continued)

- Unassigned: This classification is the residual fund balance of the General Fund. It also represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund.

When fund balance resources are available for a specific purpose in multiple classifications, the Council will generally use the most restrictive funds first in the following order: restricted, committed, assigned, and unassigned as they are needed. However, the Council's management reserves the right to selectively spend unassigned resources first and to defer the use of the other classified funds.

R. Management's Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

S. Allocation of Indirect Expenses

The Council reports all direct expenses by function and programs of functions in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function or program. Indirect expenses are recorded as direct expenses of the Administration function. GOEA provides funds to partially subsidize the Council's Administration function. The unsubsidized net cost of the Administration function is allocated using a formula that is based primarily on the relationship the direct cost a program bears to the direct cost of all programs. There are some programs that cannot absorb any indirect cost allocation according to their grant or contract limitations.

T. Elimination and Reclassifications

In the process of aggregating data for the Statement of Net Position and the Statement of Activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

U. Subsequent Events

Management has evaluated subsequent events through December 23, 2014, the date the financial statements were available to be issued. There were no events that required disclosure.

CALCASIEU PARISH VOLUNTARY COUNCIL ON THE AGING, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 2 REVENUE RECOGNITION

Revenues are recorded in the government-wide financial statements when they are earned under the accrual basis of accounting.

Revenues are recorded in the fund financial statements using the modified accrual basis of accounting. In applying the susceptible to accrual concept using this basis of accounting, intergovernmental grant revenues, program service fees, and interest income must be both measurable and available. However, the timing and amounts of the receipts of public support and miscellaneous revenues are often difficult to measure; therefore, they are recorded as revenue in the period received.

The Older American Act of 1965 Title III programs operate under a performance based contract. Title III program revenue is earned by the Council based on units of service provided within the guidelines of the related programs.

NOTE 3 CASH MANAGEMENT AND DEPOSITS

The Council maintains a consolidated bank account which is available for use by all funds to deposit revenues and pay expenses. The purpose of this consolidated account is to reduce administration costs and facilitate cash management. The consolidated account also allows those funds with available cash resources to temporarily cover any negative cash balances in other funds. The Council also maintains another demand deposit account to manage its EFSP funds.

As described by Louisiana law, the Council is classified as a quasi-public entity. Accordingly, the Council is not required to comply with Louisiana laws relating to the collateralization of bank deposits. However, it is the Council's policy to follow state law in an effort to minimize risks associated with bank deposits that exceed those currently covered by FDIC insurance.

Cash is reported at its carrying value, which equals its fair value. At year-end, the combined carrying amount of the Council's cash balances on its books was (\$98,730) (net of cash overdraft), whereas the related bank balances totaled \$45,245. The primary difference in these amounts relates to deposits made to and checks written on demand deposits accounts that have not yet cleared the bank accounts. At year-end, all of the bank balances were insured 100% by federal depository insurance.

CALCASIEU PARISH VOLUNTARY COUNCIL ON THE AGING, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 3 CASH MANAGEMENT AND DEPOSITS (CONTINUED)

Cash	Cost	Fair Value	Interest Rate	Maturity	Credit Risk Category
Capital One	\$ 1,453	\$ 1,453	None	Demand	Category 1
Business First	2,902	2,902	None	Demand	Category 1
JP Morgan Chase Bank	(118,882)	(118,882)	None	Demand	Category 1
Petty Cash	15,797	15,797	None	N/A	None
Total Cash	<u>\$ (98,730)</u>	<u>\$ (98,730)</u>			
Unrestricted Purpose	\$ (123,609)				
Restricted Purpose:					
Energy Assistance	24,879				
Total Cash	<u>\$ (98,730)</u>				

As illustrated in the above table, some of the Council's cash and investments are restricted assets for presentation in the Statement of Net Position. Restricted assets include amounts received or earned by the Council with an explicit understanding between the Council and the resource providers that the resource would be used for a specific purpose.

NOTE 4 ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2014 consist of the following:

	General	Proprietary
Other	\$ 7,575	\$ 2,335
	<u>\$ 7,575</u>	<u>\$ 2,335</u>

NOTE 5 GOVERNMENT GRANTS AND CONTRACTS RECEIVABLE

Government grants and contracts receivable represent amounts owed to the Council under a grant award or contract with a provider of federal, state, or local funds; such amounts being measurable and available as of year-end.

Government grants and contracts receivable at year-end consist of reimbursements for expenses incurred under the following programs:

Program	Fund	Provider	Amount
Governmental Funds			
Miscellaneous	General	Town of Iowa	\$ 4,000
Miscellaneous	General	City of Sulphur	1,333
Miscellaneous	General	CPPI	8,333
			<u>\$ 13,666</u>

CALCASIEU PARISH VOLUNTARY COUNCIL ON THE AGING, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 6 INTERFUND RECEIVABLES AND PAYABLES

Because the council operates its programs under cost reimbursement type grants, it has to pay for costs using its General Fund money and then request reimbursement for the advanced costs under the grant programs. Such advances create short-term interfund loans.

A summary of these interfund loans, at year-end, is as follows:

	Due From Other Funds	Due To Other Funds
General Fund	\$ 9,633	\$ 21,704
Special Revenue Funds:		
Energy	10,000	-
Senior RX	11,704	-
Proprietary Funds:		
Bingo	-	9,633
Total	<u>\$ 31,337</u>	<u>\$ 31,337</u>

NOTE 7 CHANGES IN CAPITAL ASSETS AND ACCUMULATED DEPRECIATION

Governmental Activities

A summary of changes in capital assets and accumulated depreciation is as follows:

Capital Assets	Balance July 1, 2013	Increases	Decreases	Balance June 30, 2014
Building	\$ 568,480	\$ -	\$ -	\$ 568,480
Vehicles	12,516	-	(12,516)	-
Furniture & equipment	<u>147,171</u>	<u>7,932</u>	<u>-</u>	<u>155,103</u>
Subtotals	<u>728,167</u>	<u>7,932</u>	<u>(12,516)</u>	<u>723,583</u>
Less accumulated depreciation:				
Building	(333,321)	(13,816)	-	(347,137)
Vehicles	(3,755)	(416)	4,171	-
Furniture & equipment	<u>(135,123)</u>	<u>(1,832)</u>	<u>-</u>	<u>(136,955)</u>
Subtotals	<u>(472,199)</u>	<u>(16,064)</u>	<u>4,171</u>	<u>(484,092)</u>
Land	<u>188,100</u>	<u>-</u>	<u>-</u>	<u>188,100</u>
Net capital assets - governmental activities	<u>\$ 444,068</u>	<u>\$ (8,132)</u>	<u>\$ (8,345)</u>	<u>\$ 427,591</u>

CALCASIEU PARISH VOLUNTARY COUNCIL ON THE AGING, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 7 CHANGES IN CAPITAL ASSETS AND ACCUMULATED DEPRECIATION (CONTINUED)

Depreciation was charged to governmental activities totaling \$8,132 as administration expense and to proprietary funds totaling \$30,537 for the year ended June 30, 2014.

NOTE 8 CHANGES IN LONG-TERM DEBT

The following is a summary of changes in the notes payable for the year ended June 30, 2014.

	July 1, 2013	Principal		June 30, 2014	Due Within One Year
		Additions	Reductions		
Line of credit	\$ 200,000	\$ 535,000	\$ (485,000)	\$ 250,000	\$ 250,000
Compensated absences payable	21,038	20,022	(1,930)	39,130	39,130
Totals	<u>\$ 221,038</u>	<u>\$ 555,022</u>	<u>\$ (486,930)</u>	<u>\$ 289,130</u>	<u>\$ 289,130</u>

Line of credit consists of the following:

Revolving line of credit, Chase Bank, available balance of \$0, due in May 2015, interest payable monthly, bearing interest at a prime rate (currently 8.51%) per annum. The credit is collateralized by land and building

\$ 250,000

The liabilities for compensated absences have been reflected as current even though management is unsure as to the eventual payment date.

NOTE 9 FUND BALANCES – FUND FINANCIAL STATEMENTS

The Council has \$24,879 of utility assistance contributions remain unspent as of year-end. The donors restrict these contributions for specific purposes. Accordingly, management separately accounts for them in a special revenue fund to ensure accountability. Utility assistance fund balances are common amongst council on aging entities. Utility assistance is a supportive service rendered under the Council's Title III B program. Rather than commingle the accounting of the receipts and disbursements of the utility assistance within the Title III B fund, GOEA prefers that councils on aging use a separate fund that can facilitate the monitoring of the Title III B activity separately from the utility assistance activities.

CALCASIEU PARISH VOLUNTARY COUNCIL ON THE AGING, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 10 IN-KIND CONTRIBUTIONS

The Council received various in-kind contributions during the year. These amounts have been valued at their estimated fair market value for disclosure purposes. However, these amounts have not been reported in the financial statements.

A summary of the in-kind contribution and their respective assigned values is as follows:

<u>Governmental Funds</u>	<u>Salaries</u>	<u>Operating Services</u>	<u>Operating Supplies</u>	<u>Rent</u>	<u>Total In-Kind</u>
Senior Centers	\$ 94,697	\$ 41,953	\$ 12,483	\$ 246,000	\$ 395,133
III C-1 Congregate Meals	-	-	-	195,200	195,200
III B Supportive Services	6,003	-	-	-	6,003
	<u>\$ 100,700</u>	<u>\$ 41,953</u>	<u>\$ 12,483</u>	<u>\$ 441,200</u>	<u>\$ 596,336</u>

The Council received additional support through services contributed by volunteers that does not meet the criteria for recognition under generally accepted accounting principles because the Council would not hire additional paid employees to perform these services if volunteers were not available.

NOTE 11 BOARD OF DIRECTORS' COMPENSATION

The Board of Directors is a voluntary board; therefore no compensation has been paid to any member. However, board members are reimbursed for any out-of-pocket costs they might incur on behalf of the Council in accordance with the Council's applicable reimbursement policy.

NOTE 12 INCOME TAX STATUS

The Council, a non-profit corporation, is exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code, and as an organization that is not a private foundation as defined in Section 509(a) of the Code. It is also exempt from Louisiana income tax.

While the Council is exempt from federal income taxes, it is still subject to tax on unrelated business taxable income (UBTI) that is generated. The Council is liable for UBTI that was generated from instant bingo games (i.e. pull tabs), dauber sales, video bingo commissions, a portion of bingo session fees, video bingo operations, the operation of Bingeaux Café and unrelated debt financed income from the rental of the Bingo Hall.

The Council's management believes it is no longer subject to income tax exemptions for fiscal years prior to June 30, 2011.

CALCASIEU PARISH VOLUNTARY COUNCIL ON THE AGING, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 12 INCOME TAX STATUS (CONTINUED)

Accounting Standards Codification 740 (ASC 740) requires that a tax position be recognized or derecognized based on a “more than not” threshold. This applies to positions taken or expected to be taken in a tax return where there is uncertainty about whether a tax position will ultimately be sustained upon examination. The Council has evaluated its tax position and determined that it does not have any uncertain tax positions that meet the requirements of ASC 740. Accordingly, implementation of ASC 740 did not have any impact on the accompanying financial statements.

NOTE 13 CONTINGENCIES – GRANT PROGRAMS

The Council participates in a number of state and federal grant programs, which are governed by various rules and regulations. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the Council has not complied with the rules and regulations governing the grants, refunds of any money received and the collectability of any related receivable at year end may be impaired. In management’s opinion, there are no significant contingent liabilities relating to compliance with the rules and regulations governing state and federal grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies. Audits of prior years have not resulted in any disallowed costs or refunds. Any costs that would be disallowed would be recognized in the period agreed upon by the grantor agency and the Council.

NOTE 14 JUDGEMENTS, CLAIMS, AND SIMILAR CONTINGENCIES

As of the end of this fiscal year, the Council’s management has no knowledge of any pending litigation, lawsuits, or claims against the Council. Furthermore, the Council’s management believes that any unexpected lawsuits or claims that might be filed against the Council would be adequately covered by insurance or resolved without any material impact upon the Council’s financial statements.

NOTE 15 ECONOMIC DEPENDENCY

The Council receives the majority of its revenue through grants administered by the Louisiana Governor's Office of Elderly Affairs (GOEA). The grant amounts are appropriated each year by the federal, state and local governments. If significant budget cuts are made at the federal, state and/or local level, the amount of funds the Council receives could be reduced significantly and have an adverse impact on its operations. Management is not aware of any actions that will adversely affect the amount of funds the Council will receive in the next fiscal year.

While the funds presented as Proprietary Funds will serve to reduce the dependency by the Council on federal and state grants, the Council is still deemed to be primarily dependent on the above grants to provide the basic operating funds.

CALCASIEU PARISH VOLUNTARY COUNCIL ON THE AGING, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 16 RISK MANAGEMENT

The Council is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; and natural disasters. The Council has purchased commercial insurance to cover or reduce the risk of loss that might arise should one of these incidents occur. There have been no significant reductions in coverage from the prior year. No settlements were made during the current or prior three fiscal years that exceeded the Council's insurance coverage.

The Council's management has not purchased commercial insurance or made provision to cover or reduce the risk of loss, as a result of business interruption and certain acts of God, like floods or earthquakes.

NOTE 17 CHANGES IN FIDUCIARY FUNDS

Progressive Jackpot

Balance July 1, 2013	\$ 45,993
Additions	149,600
Reductions	<u>(180,500)</u>
Balance June 30, 2014	<u>\$ 15,093</u>

NOTE 18 LEASE INFORMATION

The Council has entered into long-term leases for digital copiers and vehicles. These leases do not meet the criteria established for capitalized lease reporting; therefore, the leases are reflected as operating leases. Terms of these leases are as follows:

	Monthly Payments	Number of Months	Date Lease Originated
(2) Digital copiers	\$ 871	60	4/30/2013
(3) Digital copiers	207	60	1/25/2013
(1) Vehicle	523	36	12/01/2010
(1) Vehicle	476	36	12/01/2010
(1) Vehicle	381	36	12/01/2010
(1) Vehicle	358	36	12/01/2010
(1) Vehicle	483	36	1/27/2014
(1) Vehicle	401	36	9/16/2013
(1) Vehicle	476	36	8/23/2013
(1) Vehicle	469	36	8/21/2013
(1) Vehicle	469	36	8/21/2013
(1) Vehicle	476	36	8/22/2013

CALCASIEU PARISH VOLUNTARY COUNCIL ON THE AGING, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 18 LEASE INFORMATION (CONTINUED)

Future minimum payments by year and in the aggregate, under these operating leases consist of the following at June 30, 2014:

Year Ending June 30,	GE Capital Digital Copiers	Great Am. Digital Copiers	Ford Credit Vehicles	Totals
2015	\$ 2,484	\$ 10,452	\$ 33,297	\$ 46,233
2016	2,484	10,452	33,297	46,233
2017	2,484	10,452	8,368	21,304
2018	1,242	7,839	-	9,081
Totals	<u>\$ 8,694</u>	<u>\$ 39,195</u>	<u>\$ 74,962</u>	<u>\$ 122,851</u>

Lease expense totaled \$36,227 for the year ended June 30, 2014, which includes other incidental lease payments.

NOTE 19 INTERFUND TRANSFERS

These amounts represent interfund transfers between funds to supplement current year programs:

	Funds transferring in:					
	General Fund	Title III B	Title III C-1	Title III C-2	Title III D	Title III E
<u>Funds transferring out:</u>						
Governmental Funds:						
General Fund	\$ -	\$ 128,846	\$ 11,512	\$ 309,968	\$ 10,368	\$ 21,281
Special Revenue:						
NSIP	-	-	-	96,595	-	-
Audit	3,272	-	-	-	-	-
Proprietary Funds:						
Bingo	115,644	-	-	-	-	-
Total	<u>\$ 118,916</u>	<u>\$ 128,846</u>	<u>\$ 11,512</u>	<u>\$ 406,563</u>	<u>\$ 10,368</u>	<u>\$ 21,281</u>

	Funds transferring in:					
	Energy Assistance	Ombudsman	Senior Rx	Housing	Proprietary Funds - Bingeaux Café	Totals
<u>Funds transferring out:</u>						
Governmental Funds:						
General Fund	\$ 10,000	\$ 19,583	\$ 19,754	\$ 80,228	\$ 65,431	\$ 676,971
Special Revenue:						
NSIP	-	-	-	-	-	96,595
MIPPA	11,703	-	-	-	-	11,703
Audit	-	-	-	-	-	3,272
Proprietary Funds:						
Bingo	-	-	-	-	-	115,644
Total	<u>\$ 21,703</u>	<u>\$ 19,583</u>	<u>\$ 19,754</u>	<u>\$ 80,228</u>	<u>\$ 65,431</u>	<u>\$ 904,185</u>

CALCASIEU PARISH VOLUNTARY COUNCIL ON THE AGING, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 20 RETIREMENT COMMITMENTS

Employees of the Council are participants in the Social Security system and retirement benefits are provided by that system.

Additionally, the Council established a 403(b) tax sheltered annuity plan effective September 1, 2001.

Any eligible employee shall be eligible to participate in salary reduction contributions hereunder on the date of such employee's employment with the employer. However, with respect to non-salary reduction contributions, any eligible employee who has completed one (1) year of service shall be eligible to participate hereunder as of the date such employee has satisfied such requirements.

For each plan year the employer shall contribute to the plan:

- a) The amount of the total salary reduction elections of all participants made shall be deemed an employer elective contribution.
- b) On behalf of each participant who is eligible to share in matching contributions for the Plan Year, a discretionary matching contribution equal to a uniform percentage of each such Participant's Deferred Compensation, the exact percentage, if any, to be determined each year by the Employer, which amount, if any, shall be deemed an Employer Non-Elective Contribution.
- c) All contributions by the Employer shall be made in cash.

Retirement expense totaled \$11,699 for the year ended June 30, 2014.

NOTE 21 DEFICIT FUND BALANCE

The General Fund had a deficit fund balance at June 30, 2014 of (\$245,207). The Council has implemented a number of strategies to reduce the deficit, including cost cutting measures and pursuing additional revenues from local sources.

SUPPLEMENTARY INFORMATION REQUIRED BY GASB STATEMENT 34

CALCASIEU PARISH VOLUNTARY COUNCIL ON THE AGING, INC.
 Budgetary Comparison Schedule
 General Fund
 Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	Budgetary Basis	Final Budget - Positive (Negative)
Budgetary fund balance, July 1	\$ (24,274)	\$ (24,274)	\$ (24,274)	\$ -
Resources (inflows):				
Intergovernmental	339,679	343,220	351,033	7,813
Local and miscellaneous	33,600	33,600	119,969	86,369
Proceeds from sale of land	-	-	70,534	70,534
Transfers in	202,474	202,474	168,916	(33,558)
Amounts available for appropriation	<u>551,479</u>	<u>555,020</u>	<u>686,178</u>	<u>131,159</u>
Charges to appropriations (outflows):				
Personnel	99,097	94,101	101,595	(7,494)
Fringe	11,904	11,612	12,219	(607)
Travel	12,404	11,453	12,711	(1,258)
Operating services	43,211	45,405	48,112	(2,707)
Operating supplies	35,836	37,756	59,992	(22,236)
Meals	6,782	6,782	9,562	(2,781)
Debt service-principle and interest	1,605	1,605	2,291	(687)
Capital outlay	-	-	7,932	(7,932)
Transfers out	<u>364,914</u>	<u>370,580</u>	<u>676,971</u>	<u>(306,391)</u>
Total charges to appropriations	<u>575,752</u>	<u>579,293</u>	<u>931,385</u>	<u>(352,092)</u>
Budgetary fund balance, June 30	<u>\$ (24,274)</u>	<u>\$ (24,274)</u>	<u>\$ (245,207)</u>	<u>\$ (220,934)</u>

CALCASIEU PARISH VOLUNTARY COUNCIL ON THE AGING, INC.
 Budgetary Comparison Schedule
 Title III B
 Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	Budgetary Basis	Final Budget - Positive (Negative)
Budgetary fund balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (inflows):				
Intergovernmental	163,345	167,324	167,324	-
Local and miscellaneous	27,000	27,000	27,275	275
Transfers in	112,669	128,240	128,846	606
Amounts available for appropriation	303,014	322,564	323,445	881
Charges to appropriations (outflows):				
Personnel	152,034	153,286	153,287	(1)
Fringe	16,291	16,711	16,711	-
Travel	4,606	4,271	4,271	-
Operating services	42,689	47,306	47,306	-
Operating supplies	8,194	9,528	9,529	(1)
Full service contracts	79,200	91,462	92,341	(879)
Total charges to appropriations	303,014	322,564	323,445	(881)
Budgetary fund balance, June 30	\$ -	\$ -	\$ -	\$ -

CALCASIEU PARISH VOLUNTARY COUNCIL ON THE AGING, INC.
 Budgetary Comparison Schedule
 Title III C-1
 Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	Budgetary Basis	Final Budget - Positive (Negative)
Budgetary fund balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (inflows):				
Intergovernmental	184,363	189,728	189,728	-
Local and miscellaneous	-	4,779	12,797	8,018
Transfers in	43,489	21,500	11,512	(9,988)
Amounts available for appropriation	<u>227,852</u>	<u>216,007</u>	<u>214,037</u>	<u>(1,970)</u>
Charges to appropriations (outflows):				
Personnel	98,799	97,859	97,859	-
Fringe	10,157	10,265	10,265	-
Travel	1,666	1,555	1,555	-
Operating services	20,514	25,388	24,995	393
Operating supplies	10,854	11,815	11,815	-
Full service contracts	85,862	69,125	67,548	1,577
Total charges to appropriations	<u>227,852</u>	<u>216,007</u>	<u>214,037</u>	<u>1,970</u>
Budgetary fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CALCASIEU PARISH VOLUNTARY COUNCIL ON THE AGING, INC.
 Budgetary Comparison Schedule
 Title III C-2
 Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	Budgetary Basis	Final Budget - Positive (Negative)
Budgetary fund balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (inflows):				
Intergovernmental	205,702	201,814	201,814	-
Local and miscellaneous	259,863	264,791	252,995	(11,796)
Transfers in	368,504	407,831	406,563	(1,268)
Amounts available for appropriation	<u>834,069</u>	<u>874,436</u>	<u>861,372</u>	<u>(13,064)</u>
Charges to appropriations (outflows):				
Personnel	335,938	328,159	328,159	-
Fringe	34,884	34,741	34,742	(1)
Travel	60,796	56,080	56,080	-
Operating services	90,280	104,841	103,641	1,200
Operating supplies	28,451	30,665	30,665	-
Full service contracts	283,720	319,950	308,085	11,865
Total charges to appropriations	<u>834,069</u>	<u>874,436</u>	<u>861,372</u>	<u>13,064</u>
Budgetary fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SUPPLEMENTARY FINANCIAL INFORMATION REQUIRED BY GOEA

CALCASIEU PARISH VOLUNTARY COUNCIL ON THE AGING, INC.
Schedule of Non-Major Special Revenue Funds
Year Ended June 30, 2014

	<u>Title III D</u>	<u>Title III E</u>	<u>Ombudsman</u>	<u>N.S.I.P.</u>	<u>SenioRx</u>
REVENUES					
Intergovernmental:					
Governor's Office of Elderly Affairs	\$ 7,357	\$ 64,319	\$ 71,214	\$ 96,595	\$ 97,230
Louisiana Department of Insurance	-	-	-	-	5,000
Public Support:					
Contributions - unrestricted	-	(2)	5,004	-	-
Utility company assistance programs	-	-	-	-	-
Total Revenues	<u>7,357</u>	<u>64,317</u>	<u>76,218</u>	<u>96,595</u>	<u>102,230</u>
EXPENDITURES					
Health, Welfare, & Social Services					
Current:					
Salaries	5,156	29,905	70,831	-	84,647
Fringe	536	3,109	8,313	-	9,201
Travel	31	178	6,251	-	1,786
Operating services	11,819	9,375	9,815	-	19,395
Operating supplies	183	1,066	506	-	6,955
Other costs	-	-	-	-	-
Full service contracts	-	41,965	-	-	-
Meals	-	-	85	-	-
Utility assistance	-	-	-	-	-
Total Expenditures	<u>17,725</u>	<u>85,598</u>	<u>95,801</u>	<u>-</u>	<u>121,984</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(10,368)</u>	<u>(21,281)</u>	<u>(19,583)</u>	<u>96,595</u>	<u>(19,754)</u>
OTHER FINANCING SOURCES (USES)					
Operating transfers in	10,368	21,281	19,583	-	19,754
Operating transfers out	-	-	-	(96,595)	-
Total Other Financing Sources (Uses)	<u>10,368</u>	<u>21,281</u>	<u>19,583</u>	<u>(96,595)</u>	<u>19,754</u>
Net Increase (Decrease) in Fund Balances	-	-	-	-	-
FUND BALANCES					
Beginning of Year	-	-	-	-	-
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

<u>Energy</u>	<u>Audit</u>	<u>Housing Fund</u>	<u>MIPPA</u>	<u>Total</u>
\$ -	\$ 3,272	\$ -	\$ 11,703	\$ 351,690
-	-	-	-	5,000
-	-	-	-	5,002
<u>52,739</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>52,739</u>
<u>52,739</u>	<u>3,272</u>	<u>-</u>	<u>11,703</u>	<u>414,431</u>
-	-	-	-	190,539
-	-	-	-	21,159
-	-	-	-	8,246
-	-	-	-	50,404
-	-	-	-	8,710
-	-	25,670	-	25,670
-	-	-	-	41,965
-	-	-	-	85
<u>59,459</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>59,459</u>
<u>59,459</u>	<u>-</u>	<u>25,670</u>	<u>-</u>	<u>406,237</u>
<u>(6,720)</u>	<u>3,272</u>	<u>(25,670)</u>	<u>11,703</u>	<u>8,194</u>
21,703	-	80,228	-	172,917
<u>-</u>	<u>(3,272)</u>	<u>-</u>	<u>(11,703)</u>	<u>(111,570)</u>
<u>21,703</u>	<u>(3,272)</u>	<u>80,228</u>	<u>(11,703)</u>	<u>61,347</u>
14,983	-	54,558	-	69,541
<u>9,896</u>	<u>-</u>	<u>(52,402)</u>	<u>-</u>	<u>(42,506)</u>
<u>\$ 24,879</u>	<u>\$ -</u>	<u>\$ 2,156</u>	<u>\$ -</u>	<u>\$ 27,035</u>

CALCASIEU PARISH VOLUNTARY COUNCIL ON THE AGING, INC.
 Comparative Schedule of General
 Fixed Assets and Changes in General Fixed assets
 Year Ended June 30, 2014

	Balance July 1, 2013	Additions	Deletions	Balance June 30, 2014
<hr/>				
General fixed assets, at cost:				
Building	\$ 568,480	\$ -	\$ -	\$ 568,480
Land	188,100	-	-	188,100
Vehicles	12,516	-	(12,516)	-
Furniture and equipment	147,171	7,932	-	155,103
Totals	<u>\$ 916,267</u>	<u>\$ 7,932</u>	<u>\$ (12,516)</u>	<u>\$ 911,683</u>
Investment in general fixed assets:				
Property acquired with funds from:				
Local Funds	\$ 894,474	\$ 7,932	(12,516)	\$ 889,890
SenioRx	18,443	-	-	18,443
Title III-B Ombudsman	3,350	-	-	3,350
Totals	<u>\$ 916,267</u>	<u>\$ 7,932</u>	<u>\$ (12,516)</u>	<u>\$ 911,683</u>

**SUPPLEMENTARY FINANCIAL INFORMATION REQUIRED BY
OMB CIRCULAR A-133**

CALCASIEU PARISH VOLUNTARY COUNCIL ON THE AGING, INC.
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2014

Federal Grantor / Pass - Through Grantor / Program or Cluster Title	Federal CFDA Number	Grant Year Ended
<u>U.S. Department of Health and Human Services-</u>		
<u>Administration on Aging</u>		
Passed through the Governor's Office of Elderly Affairs:		
Aging Cluster:		
Special Programs for the Aging :		
Title III, Part B-		
Grant for Supportive Services and Senior Centers	93.044	6/30/2014
Ombudsman	93.044	6/30/2014
Subtotal CFDA # 93.044		
Title III, Part C-Area Agency Administration	93.045	6/30/2014
Title III, Part C-1- Nutrition Services-Congregate Meals	93.045	6/30/2014
Title III, Part C-2- Nutrition Services-Home Delivered Meals	93.045	6/30/2014
Subtotal CFDA # 93.045		
Nutrition Services Incentive Program	93.053	6/30/2014
Totals for Aging Cluster		
Title III D- Wellness	93.043	6/30/2014
Title III E - National Family Caregiver	93.052	6/30/2014
Medicare Improvements for Patients and Providers	93.518	6/30/2014
Totals for U.S. Department of Health and Human Services- Administration on Aging		
Total Federal Grants		

<u>Program or Award Amount</u>	<u>Revenue Recognized</u>	<u>Expenditures</u>
\$ 144,226	\$ 144,226	\$ 144,226
57,715	57,715	57,715
<u>201,941</u>	<u>201,941</u>	<u>201,941</u>
49,264	49,264	49,264
135,653	135,653	135,653
95,427	95,427	95,427
<u>280,344</u>	<u>280,344</u>	<u>280,344</u>
<u>96,595</u>	<u>96,595</u>	<u>96,595</u>
578,880	578,880	578,880
7,357	7,357	7,357
48,239	48,239	48,239
12,790	11,076	11,076
<u>647,266</u>	<u>645,552</u>	<u>645,552</u>
<u>\$ 647,266</u>	<u>\$ 645,552</u>	<u>\$ 645,552</u>



**Independent Auditor's Report on
Internal Control over Financial Reporting and on Compliance
and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

The Board of Directors
Calcasieu Parish Voluntary Council on the Aging, Inc.
Lake Charles, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Calcasieu Parish Voluntary Council on the Aging, Inc., as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Calcasieu Parish Voluntary Council on the Aging, Inc.'s basic financial statements and have issued our report thereon dated December 23, 2014.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Calcasieu Parish Voluntary Council on the Aging, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Calcasieu Parish Voluntary Council on the Aging, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Calcasieu Parish Voluntary Council on the Aging, Inc.'s internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying schedule of findings and questioned costs to be a significant deficiency [item 2014-002].

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Calcasieu Parish Voluntary Council on the Aging, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as item 2014-001.

Calcasieu Parish Voluntary Council on Aging, Inc.'s Response to Findings

Calcasieu Parish Voluntary Council on the Aging, Inc.'s response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The Council's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of the board of directors, management, others within the organization and is not intended to be and should not be used by anyone other than those specified parties. However, Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Darnall, Sikes, Gardes & Frederick

A Corporation of Certified Public Accountants

Lafayette, Louisiana
December 23, 2014



Independent Auditor's Report on Compliance with
Requirements Applicable to each Major Program
and on Internal Control over Compliance
in Accordance with OMB Circular A-133

The Board of Directors
Calcasieu Parish Voluntary Council on the Aging, Inc.
Lake Charles, Louisiana

Report on Compliance for Each Major Federal Program

We have audited the Calcasieu Parish Voluntary Council on the Aging, Inc.'s compliance with the types of compliance requirements described in the OMB Circular A-133 *Compliance Supplement* that could have a direct and material effect on each of Calcasieu Parish Voluntary Council on the Aging, Inc.'s major federal programs for the year ended June 30, 2014. The Calcasieu Parish Voluntary Council on the Aging, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements, laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Calcasieu Parish Voluntary Council on the Aging, Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Calcasieu Parish Voluntary Council on the Aging, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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Opinion on Each Major Federal Program

In our opinion, the Calcasieu Parish Voluntary Council on the Aging, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

Report on Internal Control Over Compliance

Management of Calcasieu Parish Voluntary Council on the Aging, Inc., is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Lafayette Council on Aging, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program in order to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Lafayette Council on Aging, Inc.'s internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

This report is intended solely for the information and use of the Board of Directors, management, others within the entity, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Darnall, Sikes, Gardes & Frederick

A Corporation of Certified Public Accountants

Lafayette, Louisiana
December 23, 2014

CALCASIEU PARISH VOLUNTARY COUNCIL ON THE AGING, INC.

Schedule of Findings and Questioned Costs
Year Ended June 30, 2014

Part I Summary of Auditor's Results

FINANCIAL STATEMENTS

Auditor's Report

An unmodified opinion has been issued on the Calcasieu Parish Voluntary Council on the Aging, Inc.'s financial statements as of and for the year ended June 30, 2014.

Control and Significant Deficiencies and Material Weaknesses - Financial Reporting

There was one significant deficiency in internal control over financial reporting disclosed during the audit of the financial statements and it is shown as item 2014-002.

Material Noncompliance - Financial Reporting

There was one instance of noncompliance noted during the audit of the financial statements and is shown as item 2014-001 in Part II below.

FEDERAL AWARDS

Major Program Identification

The Calcasieu Parish Voluntary Council on the Aging, Inc., for the year ended June 30, 2014, had one major program: Aging Cluster Programs, which received funds from the Department of Health and Human Services.

Low-Risk Auditee

The Calcasieu Parish Voluntary Council on the Aging, Inc. is considered a low-risk auditee for the year ended June 30, 2014.

Major Program - Threshold

The dollar threshold to distinguish Type A and Type B programs is \$300,000 for the year ended June 30, 2014.

Auditor's Report - Major Program

An unmodified opinion has been issued on the Calcasieu Parish Voluntary Council on the Aging, Inc.'s compliance for its major programs as of and for the year ended June 30, 2014.

CALCASIEU PARISH VOLUNTARY COUNCIL ON THE AGING, INC.

Schedule of Findings and Questioned Costs (Continued)
Year Ended June 30, 2014

Reportable Conditions - Major Program

There were no reportable conditions noted during the audit of the major federal programs.

Compliance Finding Related to Major Program

The audit did not disclose any material noncompliance or questioned costs relative to its major federal programs.

Part II Findings Relating to an Audit in Accordance with *Government Auditing Standards*

2014-001 Budget Variances

Finding:

In accordance with the Council's budget policy, the General Fund budget should be amended when actual revenues are less than the budgeted amount by more than ten percent or when actual costs are more than the budgeted amount by more than ten percent.

Cause:

The Council failed to adequately amend the budget at the end of fiscal year June 30, 2014.

Effect:

Inaccurate budgeting counters fiscal responsibility.

Recommendation:

The Council should monitor revenues and costs for each fund and amend the budgets when actual revenues are less than the budgeted amounts by more than ten percent or when actual costs are more than the budgeted amounts by more than ten percent.

2014-002 Miscodings

Finding:

Transactions recorded in several governmental funds which affected the amounts reported as revenues and expenditures were miscoded and inconsistently recorded to as to account and fund.

Cause:

Financial management showed inconsistent determination and application of transaction coding among and across funds.

CALCASIEU PARISH VOLUNTARY COUNCIL ON THE AGING, INC.

Schedule of Findings and Questioned Costs (Continued)
Year Ended June 30, 2014

2014-002 Miscodings (continued)

Effect:

Inconsistent and erroneous coding could result in misstatement of financial statements, compromised budgeting decisions, and audit inefficiencies.

Recommendation:

Diligent and timely monitoring should be performed to insure that all transactions are captured and properly coded to the respective revenue and expenditure accounts.

Part III Findings and Questioned Costs Relating to the Federal Programs

The audit did not disclose any material noncompliance or questioned costs relative to its federal programs.

Part IV Management Letter

The auditor did not issue a management letter this year.

CALCASIEU PARISH VOLUNTARY COUNCIL ON THE AGING, INC.

Summary Schedule of Prior Audit Findings
Year Ended June 30, 2014

Response to Findings:

13-1 Budget Variances

Status: This finding is unresolved. See current year finding 2014-001

CALCASIEU PARISH VOLUNTARY COUNCIL ON THE AGING, INC.

Management's Corrective Action Plan
Year Ended June 30, 2014

Response to Findings:

2014-001 Budget Variances

The Council will amend the budget whenever actual revenues are less than the budgeted amounts by more than ten percent or when actual costs are more than the budgeted amounts by more than ten percent.

2014-002 Miscodings

The Council will check all coding before transactions are entered into the accounting software. Better controls will be implemented to monitor transactions before they are entered into the accounting system.